ZIEGLER CHEMICAL & MINERAL CORP. LITTLE BONANZA OPERATIONS STAR ROUTE, VERNAL, UTAH 84078

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May 16, 2005

RECEIVED

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Mr. James F. Kohler Chief, Solid Minerals Branch U.S. Department of the Interior Bureau of Land Management P.O. Box 45155 Salt Lake City, Utah 84145-0155

DIV. OF OIL, GAS & MINING

RE: Bureau letter of April 15, 2005. Comments concerning Ziegler Chemical & Mineral Corporations Drill Plan for federal lease U-0126939.

Dear Mr. Kohler,

We have considered the recommendations of the Bureau in its letter of April 27, 2005 and propose the following changes to our modification request of March 15, 2005.

Drill Hole Plugging. The recommendation to fill the drill hole completely from bottom of the hole to the surface is a point well taken. ZCMC (Ziegler Chemical & Mineral Corp.) will fill each of the drill holes with cement. This will protect our miners from water and other materials that may gather in the drill holes.

Drill Locations. At each of the four (4) drilling locations ZCMC will drill three (3) holes. These holes will be drilled in a line, with the holes being five (5) feet apart.

Site Reclamation. Each drill site will be reclaimed as the drilling and logging is finished. With the final seeding taking place in the fall of the year that the drilling was preformed.

Chemical Spills. If a spill of petroleum products or related liquids takes place ZCMC will place the contaminated materials into sealed drums. These drums will then be shipped to a disposal site that meets EPA standards for disposal of such materials.

Sincerely,

Stan Wagner

cc: Gordon Ziegler Jr., President, Ziegler Chemical & Mineral Corp.
Howard Cleavinger, B.L.M., Acting Field Manager for Minerals, Vernal Office
Stan Perks, B.L.M., Mining Engineer, Salt Lake City Utah Office
Pete Sokolosky, B.L.M., Solid Minerals Geologist, Vernal Utah Office
Stan Olmstead, B.L.M., Natural Resource Specialist, Vernal Utah Office
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